



DEPARTMENT OF DEFENSE

BILLING CODE 5001-06

Office of the Secretary

TRICARE; Demonstration Project for participation in Maryland Multi-payer Patient Centered Medical Home Program (MMPCMHP) Demonstration

AGENCY: Department of Defense (DoD).

ACTION: Notice of Demonstration Project.

SUMMARY: This notice advises interested parties of a Military Health System (MHS) Demonstration project under the authority of Title 10, United States Code, Section 1092, entitled Department of Defense (DoD) Enhanced Access to Patient Centered Medical Home (PCMH): Participation in Maryland Multi-payer Patient Centered Medical Home Program (MMPCMHP).

DATES: The demonstration program will be effective 30 days after publication in the Federal Register and have a two year duration.

ADDRESSES: TRICARE Management Activity (TMA), TRICARE Regional Office North, 1700 North Moore Street, Suite 1200, Arlington, VA 22209.

FOR FURTHER INFORMATION CONTACT: CAPT. John O'Boyle, TMA, TRICARE Regional Office - North, telephone (703) 588-1831

SUPPLEMENTARY INFORMATION: The MHS has adopted the PCMH concept as the strategy of choice for the direct care system and is now using this demonstration to evaluate and provide a PCMH model in the purchased care portion of the TRICARE program.

The MHS defines PCMH as a model of care adopted by the American Academy of Family Physicians, the American Academy of Pediatrics, the American College of Physicians, and the American Osteopathic Association that seeks to strengthen the provider-patient relationship by replacing episodic care with coordinated care and a long-term healing relationship. In PCMH

practices, each patient has an ongoing relationship with a personal provider who leads a team that takes collective responsibility for patient care. The provider-led care team is responsible for providing all the patient's health care needs and, when required, arranging for appropriate care with other qualified providers.

A particular challenge in implementing the PCMH concept in the purchased care portion of the TRICARE program has been the inability to distinguish and employ reimbursement methodologies which encourage network providers to accept TRICARE beneficiaries under a Medical Home model. Current contractual incentives encourage network discounts which may also prove counterproductive in attracting network providers to a PCMH model.

The goal of participation is to test the PCMH model in qualified primary care practices to determine if this model: (1) provides higher quality and more cost effective care for TRICARE beneficiaries who receive medical care in participating practices and (2) leads to higher satisfaction for patients and providers. The demonstration seeks to compensate medical homes for additional services not traditionally covered through fee for service reimbursement, while creating a viable economic model for health care purchasers and maintaining administrative simplicity. As part of the demonstration, TRICARE, with other payers, will provide additional fixed, semi-annual payments to participating practices for providing documented evidence-based medicine; use of electronic medical records; care coordination; care transition management; collaboration with hospitals to prevent readmissions; and patient coaching; services. These fixed payments will be weighted based on practice size, practice share of Maryland based TRICARE

beneficiaries and National Committee on Quality Assurance Patient Centered Medical Home (PPC-PCMH) recognition criteria. TRICARE Prime and Standard beneficiaries will be assigned/attribution to the MMPCMHP demonstration based on current TRICARE Prime enrollment and/or evidence of previous services provided to TRICARE Standard beneficiaries by participating practices. TRICARE for Life beneficiaries will be excluded from the demonstration. TRICARE will continue to pay claims using existing reimbursement methodologies established in 32 CFR 199. In addition, incentive payments will be made based upon calculated shared savings and measured quality improvements. TMA Defense Health Cost Assessment and Evaluation (DHCAPE) staff will calculate TRICARE beneficiary cost savings based on Maryland Health Care Commission methodology. Pharmacy costs associated with beneficiaries attributed in the demonstration will be measured for informational purposes. Additional information is available at <http://mhcc.maryland.gov/pcmh/> and will be available in the TRICARE Operations Manual.

DATED: February 1, 2013.

Patricia L. Toppings

OSD Federal Register Liaison Officer

Department of Defense

